

FY 2006 State Budget Summary:

- The FY 2006 General Fund budget began with a \$214.4 million positive balance. This was \$113.7 million above the Legislature's projection.
- The Legislature accepted the Governor's FY 2006 General Fund revenue estimate. The normalized growth rate, which excludes the impact of the temporary sales tax increase and other significant 2003 through 2005 tax law changes, is 6.5% over FY 2005 normalized revenue.
- Including 2003 through 2005 tax law changes, FY 2006 base General Fund revenue is expected to be 1.7% less than FY 2005 base revenue. This is largely due to the fact that the temporary 6.0% sales tax rate returned to 5.0% on July 1, 2005.
- The most significant difference between the Governor's FY 2006 General Fund budget and the Legislature's is its decision to not use \$63.2 million of the General Fund surplus to provide \$50 energy assistance checks to every Idaho resident.
- The Legislature also decided to transfer \$70.0 million of the General Fund surplus to the Budget Stabilization Fund in FY 2006. The Governor recommended a \$67.0 million transfer in FY 2007.
- Both budgets leave a significant General Fund balance to be carried forward into FY 2007. The Executive Budget has \$116.0 million and the Legislature's has \$92.9 million.

FY 2006 GENERAL FUND COMPARATIVE SUMMARY

REVENUES:	Revised Exec. Budget	Legislative Appropriation	Difference
Beginning balance	\$214,403,100	\$214,403,100	\$0
FY 2006 Base General Fund revenue (negative 1.7% growth rate) (Note 1)	2,229,057,000	2,229,057,000	0
National Guard pay exemptions (HB 444a)	0	(1,500,000)	(1,500,000)
Sales tax exemption for shooting ranges (HB 686)	0	(25,000)	(25,000)
Sales tax exemption for dental clinics (HB 706)	0	(7,500)	(7,500)
Sales tax exemption for pollution control liners (HB 796)	0	(300,000)	(300,000)
FY 2006 Total General Fund Revenue (negative 1.7%/1.8% growth rate)	2,229,057,000	2,227,224,500	(1,832,500)
Transfer to the Budget Stabilization Fund (Idaho Code 57-814)	(22,676,900)	(22,676,900)	0
Additional transfer to the Budget Stabilization Fund (HB 409)	0	(70,000,000)	(70,000,000)
Transfer to endowment earnings reserve funds (SB 1194, 2005 session)	(4,600,000)	(4,600,000)	0
Transfer to the Revolving Development Fund (HB 392, 2005 session)	(3,000,000)	(3,000,000)	0
Transfers to deficiency warrant funds (HB 403) (Note 2)	(9,385,500)	(9,385,500)	0
Transfer to the Disaster Emergency Fund (Exec. Order 2005-21)	(250,000)	(250,000)	0
Transfer to the Public Education Stabilization Fund (HB 846)	0	(5,000,000)	(5,000,000)
Transfer to the Economic Recovery Reserve Fund for St. Parks (HB 875)	0	(11,500,000)	(11,500,000)
Transfer to Econ. Recovery Reserve Fund for energy assistance checks	(63,200,000)	0	63,200,000
Transfers from dedicated funds to Gen. Fund for AG costs (SB 1449)	0	154,000	154,000
Total Funds Available	\$2,340,347,700	\$2,315,369,200	(\$24,978,500)
EXPENDITURES:			
FY 2006 original appropriations	\$2,180,928,300	\$2,180,928,300	\$0
Surplus eliminator appropriations (HB 395/396)	14,221,900	14,221,900	0
Prior year reappropriations	3,362,200	3,362,200	0
Employee compensation (CEC) supplemental (SB 1263)	6,796,200	6,796,200	0
Non-CEC supplementals	19,037,100	17,194,300	(1,842,800)
Total Expenditures	\$2,224,345,700	\$2,222,502,900	(\$1,842,800)
 Projected Ending Balance	 \$116,002,000	 \$92,866,300	 (\$23,135,700)

Notes:

1. It should be noted that as of the end of March 2006 General Fund revenue was ahead of expectations by \$25 million, and while the official executive revenue forecast has not been adjusted to reflect this, better than expected economic performance suggests that FY 2006 General Fund revenue will finish the year higher than expected. The FY 2007 General Fund revenue forecast will also most likely be revised upwards in August 2006.
2. HB 403 makes the following transfers to Deficiency Warrant Funds:
 - \$9,250,000 to the Dept. of Lands' Fire Suppression Fund;
 - \$47,800 to the Dept. of Agriculture's Pest Eradication Fund; and
 - \$87,700 to the Military Division's Hazardous Substances Emergency Response Fund.

DEPARTMENT FY 2006 GENERAL FUND APPROPRIATIONS AND EXPENDITURES

Department	Original Appropriation	Surplus Eliminator Bills (HB 395/396)	Reappro- priations	CEC Supplemental	Non-CEC Supplementals	Estimated Expenditures
General Government:						
Administration, Dept.	\$8,985,900	\$14,200	\$0	\$16,300	\$0	\$9,016,400
Attorney General	15,360,300	124,200	1,697,800	142,200	0	17,324,500
Controller, State	5,145,600	25,300	409,000	28,900	0	5,608,800
Governor, Office	1,460,900	8,800	0	10,500	0	1,480,200
Governor, Executive Office	15,102,100	68,300	0	80,900	418,800	15,670,100
Legislative Branch	10,398,700	37,200	0	43,600	300,000	10,779,500
Lieutenant Governor	118,600	400	0	500	0	119,500
Revenue and Taxation, Dept.	24,953,200	162,000	0	182,500	0	25,297,700
Secretary of State	2,069,500	13,700	0	15,900	0	2,099,100
Treasurer, State	<u>1,223,500</u>	<u>6,700</u>	<u>0</u>	<u>8,100</u>	<u>0</u>	<u>1,238,300</u>
Total General Government	84,818,300	460,800	2,106,800	529,400	718,800	88,634,100
Public Safety:						
Correction, Dept.	118,566,400	534,900	353,900	646,300	9,078,900	129,180,400
Judicial Branch	25,535,400	197,600	0	76,300	0	25,809,300
Juvenile Corrections, Dept.	33,620,300	140,400	105,300	164,700	0	34,030,700
Police, Idaho State	<u>16,635,800</u>	<u>114,900</u>	<u>0</u>	<u>132,400</u>	<u>0</u>	<u>16,883,100</u>
Total Public Safety	194,357,900	987,800	459,200	1,019,700	9,078,900	205,903,500
Health & Human Services:						
Catastrophic Health Care	15,260,300	0	0	0	5,000,000	20,260,300
Health and Welfare, Dept.	457,682,300	926,400	0	1,006,800	2,840,700	462,456,200
Public Health Districts	9,624,600	70,200	0	81,700	0	9,776,500
Independent Living Council	<u>61,800</u>	<u>1,200</u>	<u>0</u>	<u>100</u>	<u>0</u>	<u>63,100</u>
Total Health & Hum. Serv.	482,629,000	997,800	0	1,088,600	7,840,700	492,556,100
Education:						
Agr. Research and Extension	24,993,900	229,600	0	268,100	0	25,491,600
College and Universities	228,934,100	2,376,400	0	2,822,400	0	234,132,900
Community Colleges	20,523,900	139,900	0	153,700	0	20,817,500
Deaf and Blind School	7,663,900	57,800	0	65,900	0	7,787,600
Educ., Office of State Board	4,584,900	11,400	0	13,100	0	4,609,400
Health Education Programs	8,380,300	17,100	17,200	20,000	0	8,434,600
Historical Society	2,200,000	13,000	0	15,100	0	2,228,100
Library, State	2,594,700	15,400	0	18,000	0	2,628,100
Professional-Technical Educ.	46,583,100	285,400	75,800	335,600	0	47,279,900
Public Broadcasting	1,586,800	7,900	0	7,400	0	1,602,100
Public Schools	987,110,000	8,234,700	0	0	0	995,344,700
Special Programs	9,759,000	20,900	0	23,900	101,800	9,905,600
Super. of Public Instruction	5,249,300	25,400	0	29,800	0	5,304,500
Vocational Rehabilitation	<u>7,722,600</u>	<u>14,100</u>	<u>0</u>	<u>1,200</u>	<u>0</u>	<u>7,737,900</u>
Total Education	1,357,886,500	11,449,000	93,000	3,774,200	101,800	1,373,304,500
Economic Development:						
Agriculture, Dept.	9,962,800	43,200	0	51,500	0	10,057,500
Commerce and Labor, Dept.	7,595,200	21,900	0	26,500	0	7,643,600
Self-Governing Agencies	<u>4,588,300</u>	<u>27,400</u>	<u>228,200</u>	<u>30,100</u>	<u>(545,900)</u>	<u>4,328,100</u>
Total Econ. Development	22,146,300	92,500	228,200	108,100	(545,900)	22,029,200
Natural Resources:						
Environmental Quality, Dept.	15,706,700	91,100	0	107,100	0	15,904,900
Lands, Dept.	4,696,200	27,100	0	30,200	0	4,753,500
Parks and Recreation, Dept.	6,963,600	51,800	475,000	59,400	0	7,549,800
Water Resources, Dept.	<u>11,723,800</u>	<u>64,000</u>	<u>0</u>	<u>79,500</u>	<u>0</u>	<u>11,867,300</u>
Total Natural Resources	39,090,300	234,000	475,000	276,200	0	40,075,500
State Totals	2,180,928,300	14,221,900	3,362,200	6,796,200	17,194,300	2,222,502,900

FY 2006 NON-CEC SUPPLEMENTAL APPROPRIATIONS COMPARISON

Department	Item	FTP		General Fund		Total Funds	
		EB	App.	Rev. EB	Approp.	Rev. EB	Approp.
Administration, Dept.	Capitol restoration and moving costs (one-time or OT)	0.00	0.00	\$750,000	\$0	\$750,000	\$2,755,000
	Update Capitol restoration plan (one-time)	0.00	0.00	0	0	500,000	750,000
Controller, State	IBIS spending authority (one-time)	0.00	0.00	0	0	150,000	150,000
	Energy assistance processing costs (one-time)	0.00	0.00	0	0	325,000	0
Blind Commission	Lease payments and relocation costs (one-time)	0.00	0.00	170,000	163,800	170,000	163,800
	New agency information sytem (one-time)	0.00	0.00	285,000	255,000	285,000	255,000
Military Division	Bureau of Homeland Security NGA funds (one-time)	0.00	0.00	0	0	24,200	24,200
Arts Commission	New federal grants	0.00	0.00	0	0	45,700	45,700
Legislature	Interim Comm. on Energy, Environ. & Tech. (one-time)	0.00	0.00	0	300,000	0	300,000
	Capitol restoration costs (one-time)	0.00	0.00	0	0	0	20,000
Tax Commission	Energy assistance for tax filers (one-time)	0.00	0.00	0	0	59,489,700	0
Correction, Dept.	Plaintiffs attorney fees in the Balla case (one-time)	0.00	0.00	156,000	156,000	156,000	156,000
	New medical contract cost	0.00	0.00	609,500	609,500	609,500	609,500
	County jail costs to house more state inmates	0.00	0.00	3,121,800	3,121,800	3,121,800	3,121,800
	Out-of-state costs to house more state inmates	4.00	2.00	4,751,000	4,712,800	4,751,000	4,712,800
	Increased fuel costs (one-time)	0.00	0.00	0	0	197,700	197,700
	Utility cost increases	0.00	0.00	0	0	252,200	252,200
	Cost increase for ISCI sprung structure (one-time)	0.00	0.00	25,200	0	25,200	25,200
	30 more beds at NICI's retained jurisdiction program	0.00	0.00	63,200	63,200	63,200	63,200
	Increase in St. Anthony Work Camp population	5.00	5.00	265,600	265,600	291,100	291,100
	Parole Comm. additional operating costs	0.00	0.00	60,000	60,000	60,000	60,000
	Parole Comm. temporary staff	0.00	0.00	40,000	40,000	40,000	40,000
	Parole Comm. human resources consultant (OT)	0.00	0.00	30,000	0	30,000	0
	Parole Comm. modify inmate records system (OT)	0.00	0.00	50,000	50,000	50,000	50,000
	Transfer \$10,000 from TBP to PC for grant admin.	0.00	0.00	0	0	0	0
	Lewiston correction center	0.00	10.00	0	0	0	6,600
Catastrophic Health Care	Anticipated health care costs	0.00	0.00	3,000,000	5,000,000	3,000,000	5,000,000
Health & Welfare, Dept.	Costs of two new vaccines for adolescents	0.00	0.00	75,000	75,000	75,000	75,000
	Spending authority for vital records workload fund shift	0.00	0.00	0	0	250,000	0
	EMS receipts spending authority (one-time)	0.00	0.00	0	0	191,000	191,000
	Self-Reliance - Medicare Part D impact	13.00	13.00	346,100	0	692,200	346,100
	Food stamp error rate sanction (one-time)	0.00	0.00	138,700	138,700	138,700	138,700
	Energy assistance for non-tax filers (one-time)	0.00	0.00	0	3,750,000	3,750,000	3,750,000
	Medicaid - Medicare Part D impact (some OT)	0.00	0.00	2,068,000	(3,571,700)	(21,447,800)	(32,199,300)
	Medicaid management system reprocurment (OT)	8.00	0.00	756,400	0	7,397,500	0
	SHS - Medicare clients receipts spending authority	0.00	0.00	0	0	980,000	980,000
	Community hospitalization costs (some one-time)	0.00	0.00	1,989,700	1,718,700	1,989,700	1,718,700
	Early intervention services caseload growth	0.00	0.00	730,000	730,000	800,000	800,000
Professional-Tech. Ed.	Adjust \$5,000 in funding between PC & OE	0.00	0.00	0	0	0	0
Special Programs	Match federal Leveraging Educ. Assist. Prog.	0.00	0.00	101,800	101,800	101,800	101,800
Super. Public Instruct.	Move 1.85 FTP from Albertson Foundation to federal	0.00	0.00	0	0	38,400	38,400
	Additional federal funds for various programs	0.00	0.00	0	0	8,000,000	8,000,000
	Move \$100,000 in dedicated funds from OE to PC	0.00	0.00	0	0	0	0
	Additional federal funds for charter schools grant	2.00	2.00	0	0	120,400	120,400
	Additional other funds for a student data mgmt. prog.	2.00	2.00	0	0	165,000	165,000
Comm. & Labor, Dept.	Move \$50,000 in other funds from OE to PC in IRP	0.00	0.00	0	0	0	0
Industrial Comm.	Moving costs & increase lease expenses (some OT)	0.00	0.00	0	0	346,300	0
Building Safety, Div.	Overtime pay (one-time)	0.00	0.00	0	0	106,800	106,800
	Additional inspectors and support staff (some OT)	8.00	8.00	0	0	377,900	377,900
	Additional fuel costs	0.00	0.00	0	0	214,200	0
Veterans, Div.	Realign funding more toward federal and other funds	0.00	0.00	(545,900)	(545,900)	2,480,800	2,480,800
Transportation, Dept.	Increased federal construction funding	0.00	0.00	0	0	3,725,400	3,725,400
Totals		42.00	42.00	\$19,037,100	\$17,194,300	\$84,880,600	\$9,966,500